

VALENCIA HIPOTECARIO 2 Fondo de Titulización Hipotecaria



Brief report

Date: 08/31/2010
Currency: EUR

Date of constitution
12/07/2005

VAT Reg. no.
V84530526

Management Company
Europea de Titulización, S.G.F.T

Originator
Banco de Valencia

Servicer
Banco de Valencia

Lead Managers
Bancaja
Deutsche Bank

Bond Underwriters and Placement Agents
Bancaja
Deutsche Bank
Dexia
Fortis Bank

Bond Paying Agent
Banco Cooperativo

Market

AIAF Mercado de Renta Fija

Register of Book Securities
Iberclear

Treasury Account

Banco Popular Español S.A

Start-up Loan

Banco de Valencia

Swap

Banco de Valencia

Swap Collateral

Bancaja

Assets Custodian

Banco de Valencia

Fund Auditors

Deloitte (ejercicios 2009 a actual)
Ernst & Young (hasta ejercicio 2008)

Issued securities: Mortgage-Backed Bonds

Bonds Issue									
Series ISIN Code	Issue date N° bonds	Principal outstanding (Bond Unit / Series Total / %Factor)		Interest type Reference rate and margin Payment Date	Interest Rate Next coupon	Redemption		Rating	
		Current	Original			Final maturity (legal)	Next	Fitch / Moody's	Current
Series A ES0382745000	12/12/2005 9,095	52.505.45 477.537.067.75	100,000.00 909,500,000.00	Floating 3-M Euribor+0.140% 24.Jan/Apr/Jul/Oct	1.0240% 10/25/2010 135.907440 Gross 110.085026 Net	01/24/2043 Quarterly 24.Jan/Apr/Jul/Oct	10/25/2010 "Pass-Through"	AAA Aaa	AAA Aaa
Series B ES0382745018	12/12/2005 212	100,000.00 21,200,000.00	100,000.00 21,200,000.00	Floating 3-M Euribor+0.320% 24.Jan/Apr/Jul/Oct	1.2040% 10/25/2010 304.344444 Gross 246.519000 Net	01/24/2043 Quarterly 24.Jan/Apr/Jul/Oct	To be determined "Pass-Through" Pro rata deferred start / Sequential	A+ A1	A+ A1
Series C ES0382745026	12/12/2005 94	100,000.00 9,400,000.00	100,000.00 9,400,000.00	Floating 3-M Euribor+0.550% 24.Jan/Apr/Jul/Oct	1.4340% 10/25/2010 362.483333 Gross 293.611500 Net	01/24/2043 Quarterly 24.Jan/Apr/Jul/Oct	To be determined "Pass-Through" Pro rata deferred start / Sequential	BBB+ Baa3	BBB+ Baa3
Series D ES0382745034	12/12/2005 99	100,000.00 9,900,000.00	100,000.00 9,900,000.00	Floating 3-M Euribor+3.500% 24.Jan/Apr/Jul/Oct	4.3840% 10/25/2010 1,108.177778 Gross 897.624000 Net	01/24/2043 Quarterly 24.Jan/Apr/Jul/Oct	To be determined Due to Cash Reserve reduction	CCCR 2 Ca	CCC- Ca
Total		518,037,067.75	950,000,000.00						

Estimated average life (in years) and maturity according to different hypothesis of constant prepayment rates (CPR)													
Series	Option	Average life	Years	% Monthly CPR (SMM)									
				% Annual equivalent CPR									
				0.17	0.34	0.51	0.69	0.87	1.06	1.25	1.44		
Series A	With optional redemption *	Average life	Years	7.18	6.32	5.63	4.99	4.51	4.05	3.72	3.38		
		Final Maturity	Years	13.16	11.90	10.90	9.65	8.90	7.90	7.41	6.65		
			Date	10/24/2023	07/24/2022	07/24/2021	04/24/2020	07/24/2019	07/24/2018	01/24/2018	04/24/2017		
	Without optional redemption *	Average life	Years	7.87	7.03	6.31	5.70	5.18	4.73	4.34	4.00		
		Final Maturity	Years	13.16	11.90	10.90	9.65	8.90	7.90	7.41	6.65		
			Date	10/24/2023	07/24/2022	07/24/2021	04/24/2020	07/24/2019	07/24/2018	01/24/2018	04/24/2017		
Series B	With optional redemption *	Average life	Years	7.75	6.83	6.08	5.39	4.88	4.38	4.03	3.65		
		Final Maturity	Years	13.16	11.90	10.90	9.65	8.90	7.90	7.41	6.65		
			Date	10/24/2023	07/24/2022	07/24/2021	04/24/2020	07/24/2019	07/24/2018	01/24/2018	04/24/2017		
	Without optional redemption *	Average life	Years	8.51	7.60	6.82	6.17	5.60	5.12	4.70	4.32		
		Final Maturity	Years	13.16	11.90	10.90	9.65	8.90	7.90	7.41	6.65		
			Date	10/24/2023	07/24/2022	07/24/2021	04/24/2020	07/24/2019	07/24/2018	01/24/2018	04/24/2017		
Series C	With optional redemption *	Average life	Years	7.76	6.83	6.08	5.39	4.88	4.38	4.03	3.65		
		Final Maturity	Years	13.16	11.90	10.90	9.65	8.90	7.90	7.41	6.65		
			Date	10/24/2023	07/24/2022	07/24/2021	04/24/2020	07/24/2019	07/24/2018	01/24/2018	04/24/2017		
	Without optional redemption *	Average life	Years	8.51	7.60	6.82	6.17	5.60	5.12	4.70	4.32		
		Final Maturity	Years	13.16	11.90	10.90	9.65	8.90	7.90	7.41	6.65		
			Date	10/24/2023	07/24/2022	07/24/2021	04/24/2020	07/24/2019	07/24/2018	01/24/2018	04/24/2017		
Series D	With optional redemption *	Average life	Years	8.66	7.71	6.98	6.16	5.64	5.02	4.68	4.21		
		Final Maturity	Years	13.16	11.90	10.90	9.65	8.90	7.90	7.41	6.65		
			Date	10/24/2023	07/24/2022	07/24/2021	04/24/2020	07/24/2019	07/24/2018	01/24/2018	04/24/2017		
	Without optional redemption *	Average life	Years	16.87	16.56	16.33	16.15	16.00	15.89	15.79	15.71		
		Final Maturity	Years	29.17	29.17	29.17	29.17	29.17	29.17	29.17	29.17		
			Date	10/24/2039	10/24/2039	10/24/2039	10/24/2039	10/24/2039	10/24/2039	10/24/2039	10/24/2039		

* Optional clean up call when the amount of the outstanding balance of the securitised assets is less than 10 per 100 of the initial outstanding balance.
Hypothesis of delinquency and default assumptions of the securitised assets: 0%

Credit enhancement and financial operations

Credit enhancement (CE)						
	Current			At issue date		
		% CE			% CE	
Series A	92.18%	477.537.067.75	7.97%	95.74%	909.500.000.00	4.31%
Series B	4.09%	21.200.000.00	3.80%	2.23%	21.200.000.00	2.05%
Series C	1.81%	9.400.000.00	1.95%	0.99%	9.400.000.00	1.05%
Series D	1.91%	9.900.000.00		1.04%	9.900.000.00	
Issue of Bonds		518,037,067.75			950,000,000.00	
Reserve Fund	1.95%	9,900,000.00		1.05%	9,900,000.00	

Other financial operations (current)			
Assets		Balance	
		Interest	
Treasury Account		51,207,363.54	0.821%
Servicer ppal collect not yet credited		81,155.69	
Servicer ints collect not yet credited		17,608.41	
Liabilities			
Start-up Loan L/T	Available		0.00
Start-up Loan S/T			94,024.84
Swap collateralized amount	Amount		Credited
CSA *		0.00	
Cash		34,083,869.00	
Securities			0.00

* Credit Support Amount in favour of the Fund

Additional information

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Collateral: Residential mortgage loans

General			
	Current	At constitution date	
Count	8,222	12,241	
Principal			
Principal outstanding	506,328,402.75	940,242,690.85	
Average loan	61,582.15	76,810.94	
Minimum	45.01	3,356.13	
Maximum	436,421.68	496,461.58	
Interest rate			
Weighted average (wac)	2.10%	3.11%	
Minimum	1.50%	1.00%	
Maximum	5.25%	5.25%	
Final maturity			
Weighted average (WARM) (months)	197	239	
Minimum	09/01/2010	01/04/2007	
Maximum	01/05/2040	11/05/2035	
Index (principal outstanding distribution)			
3-month EURIBOR/MIBOR	0.01%	0.00%	
1-year EURIBOR/MIBOR	2.18%	2.05%	
1-year EURIBOR/MIBOR (Mortgage Market)	97.78%	97.95%	
Mortgage Market: All Institutions	0.03%	0.00%	

LTV Distribution				
	Current		At constitution date	
	% Pool	% LTV	% Pool	% LTV
0.01 - 10%	1.03	6.84	0.29	7.77
10.01 - 20%	4.44	15.76	1.93	15.83
20.01 - 30%	8.48	25.47	3.82	25.38
30.01 - 40%	12.39	35.23	6.58	35.62
40.01 - 50%	16.81	45.20	10.97	45.35
50.01 - 60%	24.20	55.37	15.89	55.36
60.01 - 70%	27.62	64.88	22.49	65.47
70.01 - 80%	5.03	71.48	38.04	75.26
Weighted average (WALTV)	49.81		60.76	
Minimum	0.01		2.08	
Maximum	79.99		80.00	

Prepayments					
	Current month	Last 3 months	Last 6 months	Last 12 months	Historical
Single month. mort. (SMM)	0.21%	0.35%	0.38%	0.42%	0.66%
Annual Percentage Rate (CPR)	2.53%	4.09%	4.49%	4.94%	7.69%

Geographic distribution		
	Current	At constitution date
Andalucia	4.75%	4.64%
Aragon	6.73%	6.24%
Asturias		0.00%
Balearic Islands	0.50%	0.41%
Basque Country	0.01%	0.04%
Canary Islands		0.01%
Castilla-La Mancha	0.30%	0.36%
Castilla-Leon	0.02%	0.03%
Catalonia	0.73%	0.77%
Ceuta	0.02%	0.03%
Extremadura	0.02%	0.01%
Galicia		0.01%
La Rioja	0.88%	0.83%
Madrid	6.86%	7.40%
Murcia	13.87%	13.14%
Navarra	0.35%	0.43%
Valencia	64.96%	65.64%

Current delinquency										
Aging	Assets	Overdue debt					Outstanding debt	Total debt	% Total debt / Appraisal Value	
		Principal	Interest	Other	Total	%				
<i>Delinquencies</i>										
Up to 1 month	317	97,997.26	27,205.27	0.00	125,202.53	6.41	19,307,194.34	19,432,396.87	35.32	42.24
from > 1 to ≤ 2 months	151	94,541.44	35,490.04	0.00	130,031.48	6.66	10,421,660.88	10,551,692.36	19.18	47.58
from > 2 to ≤ 3 months	154	174,273.67	65,329.32	0.00	239,603.99	12.28	11,761,998.19	12,001,601.18	21.81	47.47
from > 3 to ≤ 6 months	14	20,976.26	6,957.16	0.00	27,933.42	1.43	693,988.99	721,922.41	1.31	45.96
from > 6 to < 12 months	46	63,422.16	29,063.21	0.00	92,485.37	4.74	3,101,659.26	3,194,144.63	5.80	45.13
from ≥ 12 to < 18 months	26	107,893.26	88,749.18	0.00	196,642.44	10.07	2,099,167.06	2,295,809.50	4.17	59.77
from ≥ 18 to < 24 months	31	189,848.97	188,418.44	0.00	378,267.41	19.38	2,736,562.92	3,114,830.33	5.66	52.28
from ≥ 24 months	38	357,951.22	403,810.79	0.00	761,762.01	39.03	2,950,502.84	3,712,264.85	6.75	71.40
Subtotal	777	1,106,904.24	845,023.41	0.00	1,951,927.65	100.00	53,072,734.48	55,024,662.13	100.00	46.99
<i>Doubt debts (subjectives)</i>										
	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
Subtotal	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total	777	1,106,904.24	845,023.41	0.00	1,951,927.65		53,072,734.48	55,024,662.13		46.99